

Assembly Bill No. 365—Assemblywoman Cohen

CHAPTER.....

AN ACT relating to short-term lessors of vehicles; revising the maximum allowable charge for a waiver of damages offered by a short-term lessor of vehicles; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, a short-term lessor of vehicles may offer to a lessee, but must not require, the purchase of a waiver of damages or optional insurance. (NRS 482.31565) Such a lessor may not charge more than \$22 per full or partial rental day for such a waiver, except that the maximum amount is adjusted each fiscal year in an amount calculated based on a certain Consumer Price Index for the preceding year.

Section 1 of this bill maintains the existing cap of \$22, as adjusted, for a vehicle that has a manufacturer's suggested retail price of not more than \$60,000, and adds a new cap of \$150 for a vehicle that has a manufacturer's suggested retail price of more than \$60,000. **Section 1** also provides for both the amount of the charge and the threshold amount of the manufacturer's suggested retail price to be adjusted each fiscal year starting on July 1, 2021, in an amount calculated based on the same Consumer Price Index for the preceding year.

EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~omitted material~~ is material to be omitted.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 482.31565 is hereby amended to read as follows:

482.31565 1. A short-term lessor shall not require the purchase of a waiver of damages, optional insurance or any other optional good or service as a condition for the lease of a passenger car.

2. Except as otherwise provided in this subsection, a short-term lessor may sell a waiver of damages but shall ~~not~~ charge ~~more than~~ :

(a) ***Except as otherwise provided in paragraph (b), not more than*** \$22 per full or partial rental day or 24-hour rental period, as appropriate, for the waiver. The ~~monetary~~ amount ***of the charge*** set forth in this ~~subsection~~ ***paragraph*** must be adjusted for each fiscal year that begins on or after July 1, 2008, by adding to that amount the product of that amount multiplied by the percentage increase in the Consumer Price Index West Urban for All Urban Consumers (All Items) between the calendar year ending on December 31, 2005, and the calendar year immediately preceding the fiscal year for which the adjustment is made. The Department



shall, on or before March 1 of each year, publish the adjusted amount for the next fiscal year on its website or otherwise make that information available to short-term lessors.

(b) If the vehicle has a manufacturer's suggested retail price of more than \$60,000, not more than \$150 per full or partial rental day or 24-hour rental period, as appropriate, for the waiver. The monetary amounts set forth in this paragraph must be adjusted for each fiscal year that begins on or after July 1, 2021, by adding to each amount the product of that amount multiplied by the percentage increase in the Consumer Price Index West Urban for All Urban Consumers (All Items) between the calendar year ending on December 31, 2017, and the calendar year immediately preceding the fiscal year for which the adjustment is made. The Department shall, on or before March 1 of each year, publish the adjusted amounts for the next fiscal year on its Internet website or otherwise make that information available to short-term lessors.

3. A short-term lessor who disseminates an advertisement in the State of Nevada that contains a rate for the lease of a passenger car shall include in the advertisement a clearly readable statement of the charge for a waiver of damages and a statement that the waiver is optional.

4. A short-term lessor shall not engage in any unfair, deceptive or coercive conduct to induce a short-term lessee to purchase a waiver of damages, optional insurance or any other optional good or service, including, but not limited to, refusing to honor the lessee's reservation, limiting the availability of cars, requiring a deposit or debiting or blocking the lessee's credit card account for a sum equivalent to a deposit if the lessee declines to purchase a waiver, optional insurance or any other optional good or service.

Sec. 2. This act becomes effective on July 1, 2019.

